

Steve Westly California State Controller



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CALIFORNIA STATE CONTROLLER STEVE WESTLY CALLS ON NYSE CHAIRMAN TO STEP DOWN

Separation of Duties Needed

Sacramento, September 16, 2003 - California State Controller Steve Westly issued the following statement today concerning the leadership of the New York Stock Exchange:

“The writing is on the wall. The expanding controversy over Chairman Richard Grasso’s excessive compensation package will make it impossible to achieve any of the corporate governance reforms that are critically needed to restore public confidence.

“This is more important than just one CEO’s pay. Governance at NYSE needs to be improved across the board. Clearly we need to stop the appearance of the fox guarding the hen house. We need to separate the regulatory functions of the Exchange to a new third party organization as NASDAQ has already done.

“I join with leaders across the country and fellow CalPERS and CalSTRS board members who have called for Chairman Grasso’s resignation to restore public faith in the NYSE.”

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